GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:5008
ANSWERED ON:26.04.2000
STEEL DEVELOPMENT FUND
NARESH KUMAR PUGLIA;SHYAMA SINGH

Will the Minister of STEEL be pleased to state:

(a) Whether the Government have decided to write-off the loans given to SAIL from the Steel Development Fund;

(b) If so, the total amount of loan, the Government propose to write-off;

(c) whether the Government propose to ascertain the causes of increasing loans with SAIL; and

(d) if so, the details thereof ?

Answer

MINISTER OF STATE FOR STEEL (SHRI DILIP RAY)

(a) & (b): Yes, Sir. Government has approved the financial and business restructuring package for SAIL which inter alia includes the waiver of loans along with interest thereon from Steel Development Fund to a value of Rs.5073 crore.

(c) & (d): For the modernisation of SAIL`s steel plants at Durgapur, Rourkela and Bokaro, the bulk of funding was sourced from market borrowings, thus resulting in accumulation of loans. The total borrowings have increased from Rs.11,272 crores in 1993-94 to Rs.20,851 crores in 1998-99.